EXECUTIVE SUMMARY

In November 2003, Acting Deputy Administrator Stephen L. Johnson requested that a small work group be established to conduct a relatively quick internal review (approximately 120 days) of the Superfund Program. The main objective of this review was to identify opportunities for Program efficiencies that would enable the United States Environmental Protection Agency (EPA) to begin and ultimately complete more long-term cleanups, also known as remedial actions, with current resources. The Study was intended to complement the work done by the Superfund Subcommittee of the Agency's National Advisory Council for Environmental Policy and Technology (NACEPT).

EPA currently has a backlog of sites that are ready for long-term cleanup, but lack adequate funding to begin the remedial actions, (RAs). To a large extent, the shortfall is the direct result of the evolution and maturation of the Program, with the universe of Superfund sites expanding in both number and type. Larger, more complex sites requiring multiple remedies have increased demands on the Program; funding needs have increased further as a greater proportion of the sites have progressed through the remedial investigation and feasibility study phases; and the cleanup phase is typically more costly. A significant challenge before the Agency and Congress, therefore, is how best to navigate this period when there are high funding needs for more long-term cleanups.

About The 120-Day Study

The Superfund 120-Day Study was a short-term, overall Program review conducted by a team of EPA Headquarters and Regional staff who have knowledge and experience in the Program, but who are not all currently working in the Program. Information from Agency data systems helped to frame areas for analysis. This was followed by additional data requests and an extensive number of interviews with Superfund Program managers in Headquarters and the Regions, as well as with selected outside experts. To supplement the information gathered in the interviews, the Study team prepared and sent out tailored questionnaires to gather Program-specific information.

The Study compiled findings from these data-gathering efforts, and made recommendations designed to improve resource utilization to quickly direct more funding into the remedial action pipeline; other recommendations are intended to help the Program function better over the long term, which could reduce future out-year funding needs.

About the Action Plan

The directive to undertake the 120-Day Study included a mandate to develop an Action Plan outlining how EPA would carry out the Study's 108 recommendations. Each recommendation has a lead EPA office responsible for responding to that

recommendation; those offices developed a work plan that describes the action(s) they would take to implement that recommendation, or that provides a rationale for not proceeding with the recommendation.

This Action Plan compiles all of the Study's recommendations and office responses into one document. The Plan also provides background for why those recommendations were made. To make the large number of recommendations more manageable, EPA grouped them into five major categories: (1) Program Leadership; (2) Financial and Resource Management; (3) Contracts/Grants Management; (4) Leveraging All Available Cleanup Resources; and (5) Communication. Although the recommendations could have been organized in several different ways, EPA feels that these categories distinguish the major areas of EPA's Superfund operations that these recommendations apply to. These five categories are then divided into subcategories under which the applicable or relevant recommendations are grouped.

Key Areas that Meet the Study's Objective

While all of the Study's recommendations are designed to improve the management and effectiveness of the Superfund Program, several areas are key to meeting the Study's primary objective of channeling more funding into the RA pipeline. The following presents these key areas and associated recommendations by chapter. (The recommendations are also identified as 'key' in the individual chapters.) EPA will implement these key areas in coordination with the appropriate Lead Region.

Chapter 1, Program Leadership outlines senior leadership initiatives that will help direct more resources into RAs, and improve the effectiveness and efficiency of the Superfund Program. Key areas highlighted in this chapter include:

- Section 1.1, Program Direction—establishment of a Superfund Board of Directors, which will improve Program coordination, integration, and accountability (Recommendation 1); and

- Section 1.1, Program Direction—setting a hierarchy of Program goals and objectives to ensure Superfund resources are directed such that the Program achieves its most important goals (Recommendations 2 and 9).

Chapter 2, Financial and Resource Management looks at ways to improve financial and resource management processes that will help effectively forecast cleanup resource needs and ultimately make more money available for remedial actions. Key areas addressed include:

- Section 2.1, Budget Formulation and Planning—Options to increase available resources dedicated to remedial action (Recommendation 103).

- Section 2.2, Budget Execution—analyzing Superfund charging and increasing site-specific charging, which will strengthen cost recovery, reduce overhead, and reveal misallocations or adjustments that may be needed (Recommendations 66, 67, and 68);

- Section 2.3, Regional Resource Distribution/Management—ensuring the maximum number of Program personnel are working on site cleanups by addressing full-time equivalent (FTE) employee allocation at Headquarters and the Regions to reflect workload changes, which will set the groundwork for reallocation in the fiscal year (FY) 2007 budget process, and increasing work-sharing among the Regions (Recommendations 19 and 20);

- Section 2.4, Special Accounts Management—effectively managing and increasing the use of special accounts, which will help with the funding flow for remedial actions and can reduce the need for future cost recovery (Recommendations 15, 61, 62, 95, 96, and 97); and

- Section 2.5, Remedy and Response Cost Management—controlling site cleanup costs to enable funding of more cleanups, including enhancing the National Remedy Review Board's (NRRB) role (Recommendations 37 and 38); optimizing long-term response actions (LTRAs) (Recommendation 40); conducting construction oversight (Recommendation 44); and conducting benchmarking studies of Regional performance (Recommendations 18, 21, and 101).

Chapter 3, Contracts/Grants Management examines ways to more effectively manage cleanup funding provided through contracts, grants, and interagency grants (IAGs). Key areas addressed include:

- Section 3.1, Contracts & Grants/IAGs—increasing efforts to deobligate funds from contracts, grants, and IAGs to funnel more money into RAs, including establishing policies for the duration of these funding vehicles (Recommendations 72, 73, 75, 76, and 77); and

- Section 3.1, Contracts & Grants/IAGs—improving the monitoring of these funding mechanisms such that obligated dollars are used for their intended cleanups and not "banked" for future use (Recommendations 83, 84, 85, and 87).

Chapter 4, Leveraging All Available Cleanup Resources addresses opportunities for leveraging cleanup resources from potentially responsible parties (PRPs), the States, and other cleanup authorities, to maximize the use of limited Superfund Program funding. Key areas highlighted include:

- Section 4.1, PRP-lead Cleanups—maximizing PRP involvement and funding in cleanup efforts through effective negotiation and enforcement strategies for remedial investigation/feasibility studies (RI/FSs) (Recommendation 24); efficient

oversight (Recommendation 58); effective, early PRP searches (Recommendation 53); and increased removal enforcement (Recommendation 54); and

- Section 4.3, Other Cleanup Authorities—preventing some sites from entering the Superfund pipeline through the use of sufficient financial assurances at Resource Conservation and Recovery Act (RCRA) sites so that Trust Fund dollars are not needed for cleanups at these sites (Recommendations 10, 11, 12, and 36).

EPA Office Leads

As described, EPA has developed work plans describing planned actions in response to each of the Study's 108 recommendations, along with the lead EPA Office responsible for implementing the action. Of these actions, 39 describe work that was ongoing prior to the Study and that addresses the recommendation/option; 64 describe new work undertaken to address a recommendation/option; and 5 that provide a rationale for no planned action to implement a recommendation/option. For senior EPA management purposes only, a current anticipated completion date for each action has been identified. Generally, the scheduled completion dates are approximately:

- 50 actions are anticipated to be complete by the end of FY 2005;
- Less than 10 actions are left to be completed by the end of FY 2006; and
- Less than 10 actions are left to be completed during or after FY 2007.

Of the EPA lead offices (the information below reflects single- and joint-lead efforts):

- OSWER/Other is responsible for responding to 13 recommendations;
- OSWER/OSRTI is responsible for responding to 47 recommendations;
- OECA is responsible for responding to 16 recommendations;
- ORD is responsible for responding to 3 recommendations;
- OCFO is responsible for responding to 12 recommendations;
- OARM is responsible for responding to 15 recommendations; and
- Lead Region is responsible for responding to 7 recommendations.

The Superfund working group will track these actions and report completion of each planned action.

Moving Forward

The Study's authors felt that together, the Report's recommendations can build on past successes and create a better, more efficient way to implement the changing Superfund Program. The recommendations are intended to improve upon a Program that is working well, not one that is broken and requires fixing. These recommendations focus on what EPA can do with existing authorities and resources to effectively implement the Superfund Program, toward the goal of increasing the pace of site cleanup.